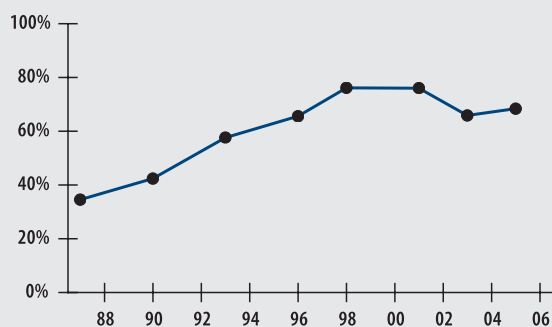
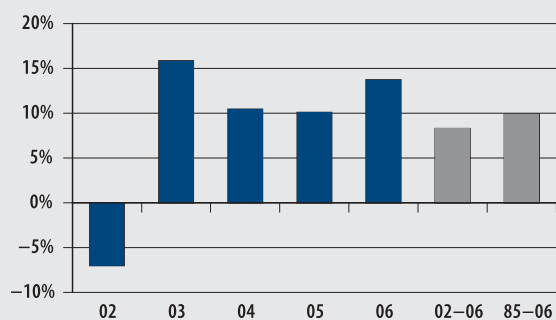


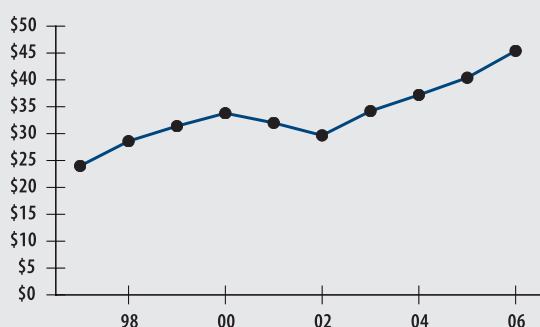
► **Funded Ratio (1987-2006)**



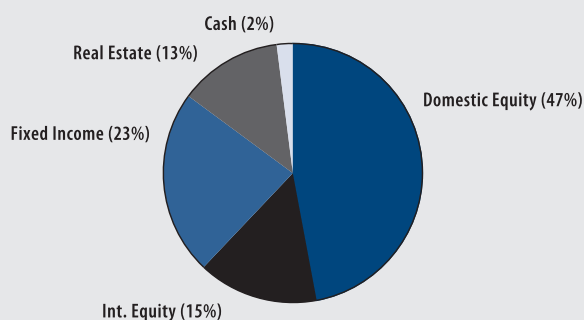
► **Investment Return (2002-2006, 5 Year and 22 Year Averages)**



► **Asset Growth (1997-2006) (Market Value in Millions)**



► **Asset Allocation (12/31/06)**



► **ACTUARIAL**

• Funded Ratio	68.4%
• Date of Last Valuation	01/05
• Actuary	PERAC
• Assumed Rate of Return	8.25%
• Funding Schedule	4.5% Increasing
• Year Fully Funded	2026
• Unfunded Liability	\$18.1 M
• Total Pension Appropriation (Fiscal 2007)	\$2.3 M

	Active	Retired
• Number of Members	377	212
• Total Payroll/Benefit	\$11.7 M	\$2.9 M
• Average Salary/Benefit	\$31,000	\$13,600
• Average Age	46	71
• Average Service	10.9 years	NA

► **INVESTMENT**

Domestic Equity

- Smith Asset Management Group Small Cap Fund
- Victory Capital Management

International Equity

- SSgA All International Allocation Common Trust Fund
- SSgA Daily International Alpha Securities Lending Fund

Domestic Fixed Income

- Pyramid Core Plus Commingled Pool

Real Estate

- PRIT
- UBS Real Estate Separate Account (RESA)

Alternative Investments

- PRIT

Consultant

- Segal Advisors

Custodian

- State Street

► 2006 Return	13.73%
► 2006 Target	8.75%
► 2006 Market Value	\$45.4 M
► 2002-2006 (Annualized)	8.30%
► 1985-2006 (Annualized)	9.91%